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Brussels, 10 November 1989

STATEMENT BY VP ANDRIESSEN

GATT PANEL REPORT ON SECTION 337

441.2(103)

411.6

441.37

The GATT Council adopted, on 7 November, almost one year after its completion, a panel report on Section 337 of the US Tariff Act of 1930, applied by the US to imports which are considered to infringe intellectual property rights. The panel report finds that certain features of Section 337 are discriminatory and incompatible with the GATT principle of national treatment and recommends that the US bring the relevant provisions into conformity with its obligations under the GATT.

I am therefore very disappointed to see that the USTR, Mrs Hills, has announced that "the adoption of the report will not change enforcement of Section 337" and that the report "will not provide a basis for Presidential disapproval of Section 337 orders". It appears from Ambassador Hills' statement that the US does not intend to amend its legislation to bring it into line with its GATT obligations unless and until the Uruguay Round negotiations result in a reinforcement of the multilateral rules governing intellectual property rights.

The Community also attaches very considerable importance to the achievement of substantial results in the Uruguay Round negotiations on intellectual property. However it does insist that awaiting the results of these negotiations, urgent attention should be given by the US authorities to appropriate modifications to and implementation of Section 337.

I therefore hope that the United States will take the steps needed to bring its legislation into conformity with its GATT obligations at the earliest opportunity.

By doing so an important contribution would be made to achieving the goals the EC and the US have set in the framework of the ongoing negotiations in the GATT about intellectual property rules.